



Wyoming Military Department

Joint Transportation, Highways and Military Affairs Interim Committee 27 Oct 2017





Agenda

- Military Department update
- Updates to military-related statutes (priority #6)
 - Criminal matters notification
 - Post 9/11 GI bill language update
 - Military spouse unemployment sunset repeal
 - Resident game and fish licenses for National Guard
 - Servicemembers Civil Relief Act (SCRA) enhancements
- Veteran's home skilled nursing care (priority #3)
- Veterans' tuition program updates and revisions (priority #9)





Military Update

Air Guard

- MAFFS
- Hurricane Response
- Upcoming deployment

Army Guard

- Regional Training Institute ground breaking

State Support

- Search and Rescue





Updates to military-related statutes (priority #6)

Subtopic A- Criminal matters notification

Subtopic B- Post 9/11 GI bill language update

Subtopic C- Military spouse unemployment sunset repeal

Subtopic D- Resident game and fish licenses for National Guard

Subtopic G- Service members Civil Relief Act (SCRA) enhancements





Questions/Guidance





Green House Living for Wyoming Veterans

Wyoming Veterans Commission

Controlled Unclassified Information





Update

Funding Veterans' Home Skilled Nursing Care

Wyoming Veterans Commission

Chairman Keith Davidson

Director Stephen Kravitsky

Green House Living for Sheridan

Jack Tarter

Keith Wilson

Wyoming Department of Health

Stefan Johansson

Franz Fuchs





Why We Are Here Today?

Bottom Line: We seek approval for and a LOAN from the State to finance 35% of the construction cost plus soft costs to build a 24-bed State Veterans Skilled Nursing Facility based on the Green House Living model in Sheridan Wyoming.

LOAN DETAILS:

STATE 35% FUNDING (Use VA Grant to Pay 65%, \$3,497,734)	\$1,883,395
Plus START UP, STAFFING, RESERVES	\$ 292,644
TOTAL LOAN AMOUNT:	\$2,176,039

LOAN TERMS:

3.5% INTEREST RATE - 15 YEARS AMORTIZATION

LOAN REPAYMENT - \$ 15,556 / MONTH

\$ 186,672 / YEAR (Debt service is paid from income from the operations of the 2 cottages.)

***** ~\$624,000 IN INTEREST PAID TO THE STATE *****





The Need for a Veterans Skilled Nursing Facility

- Many veterans are not able to utilize their earned VA per-diem benefit to off-set out of pocket costs (~ \$42,756 annually in FY '23 dollars)*
- Percentage of Veterans receiving compensation nation-wide increasing**
 - 1960 – 2000 ~ 8.5% over a 40 year window
 - 2001 – 2015 dramatic increase to 19%
- Average Degree of Disability:**
 - 1950 – 1995 ~ 30% over 45 years
 - 2000 – 2015 dramatic increase to 47.7%
- Vietnam Era Veterans now the largest group of Veterans (16,000+) in Wyoming: VA continues to identify issues related to Agent Orange exposure
 - Many of these issues will required skilled nursing care
 - VA estimates 36% of Vietnam Veterans have a 70% disability rating

**2005 Legislative Study “Veterans Long Term Care stated: “Nearly two-thirds of the 2,500 nursing home residents in Wyoming receive services trough the Medicaid Long-term Care program...it should be noted that an eligible recipient must meet stringent income and asset requirements. The asset test requires a recipient to have little to no savings, income or property (some exceptions are made if recipient has a non-institutionalized spouse). If an applicant has assets, these assets must be spent for nursing home care before the applicant can be become eligible for Medicaid. Many people who begin paying for nursing home care out of their own pockets spend their financial resources until they become eligible for Medicaid.”*

*** US Department of Veterans Affairs, Veterans Benefits Administration, Under Secretary for Benefits, briefing to the National Association of State Directors of Veterans Affairs 2 September 2015. (Controlled Unclassified Information)*





The Need for a Veterans Skilled Nursing Facility

- Number of WY Veterans with 70% Compensation Increasing:
 - 2014 = 2,362, 2015 = 2,653 (+291), 2016 = 3,164 (+511)
 - VA will pay all nursing care costs for veterans with a 70% service-connected disability
- Wyoming geriatric cohort 65 years+ is growing:
 - 46% from 2013 – 2023 for males
 - 44% from 2013 – 2023 for females
 - 1% 64-74 year olds, 7% 75-84 year olds and 20% 85 + reside in nursing homes (*2005 Leg Study on Vets Long Term Care, pg. 25*)
- Relying on the Department of Veterans Affairs to provide long-term care plus other specialized care may not be an adequate approach for the future (*Management Audit Committee 2011, pg. 87*). VA is shifting care to state homes ... 130+ state homes and growing.





Current Status

- Wyoming does not have a state sponsored skilled nursing care facility for Veterans. Veteran's Home of Wyoming is a Domiciliary/Assisted Living facility.
- VA Skilled Nursing Care in Wyoming:
 - ✓ 20-30 long term care beds at Sheridan VA Medical Center
 - ✓ 20-30 long term care beds at Cheyenne VA Medical Center
 - ✓ Some contracted beds across Wyoming, varies greatly

Number of long-term care beds that the VA will allocate per diem for in the state of Wyoming (all types of care (domiciliary and nursing) are counted in the total)	154	
Veterans Home of Wyoming bed allocation	96	Current census ~ 74
Maximum beds the VA will fund for construction in Wyoming	58	
Pilot Project beds	24	
Remaining beds for future construction in Wyoming	34	





Wyoming Department of Health's Veterans' State Home Needs Analysis

Demand for SNF services by Wyoming veterans will decrease (500 to 320 veterans between 2017 and 2030)

Geographically, the largest number of veterans requiring SNF services will be in the Cheyenne Veterans Medical Center area

SNF market conditions do not favor new entrants, statewide capacity/occupancy rates trended down since mid-1990s

While the model is financially viable due to VA subsidy, the proposed State Veterans' Home will have to compete on quality and price

- **Quality: The Green House ® model, with its focus on small home-like environments should give a new SNF a high-quality niche**
- **Price: ~\$2.5M (2017 dollars) to operate, with an average per-patient cost of \$300. A 24-bed facility will need to operate at 63% occupancy (15 residents) in order to offer below market rates while breaking even.**





Construction Cost Estimates

2022 Estimate for Facility Development and Construction for 2 Cottages. Developed by Green House Living of Sheridan

Site Work	\$729,927
Hard Construction Costs	\$3,688,157
Construction Contingency @5% of Total	\$268,788
Architect / Engineering Fees	\$129,912
Furnishings & Equipment	\$564,345
CONSTRUCTION TOTAL	\$5,381,129

VA 65%	\$3,497,734
Wyoming 35%	\$1,883,395
CONSTRUCTION TOTAL	\$5,381,129

Site Acquisition: Land to be donated to the state by a private foundation
Land value \$109,200 (not included in cost)





Annual Financial Projections

REVENUES	\$2,812,061
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OPERATING EXPENSES	\$2,270,752
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MANAGEMENT FEES	\$ 288,265
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TOTAL OPERATING EXPENSES	\$2,559,017
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NET INCOME FROM OPERATIONS	\$ 253,043
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DEBT SERVICE	\$ 186,673
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TOTAL OTHER EXPENSES	\$ 186,673
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NET INCOME TO RESERVES	\$ 66,371
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RESERVE COULD BE SET ASIDE TO BUILD ADDITIONAL COTTAGES
ACROSS THE STATE OR PAY FOR THE STATE EMPLOYEE





Potential Loan Sources

Permanent Mineral Trust Fund

State Agency Pool

Omnibus Permanent Land Fund

Legislative Stabilized Reserve Account

Private Funds

Keuhne Foundation donating the land valued at \$109,200





Public Comment

Wyoming Veterans Commission

Department of Wyoming American Legion

Department of Wyoming Veterans of Foreign Wars

Department of Wyoming Disabled American Veterans

Department of Wyoming Military Order of the Purple Heart

Green House Living for Sheridan





- Questions/Guidance





Interim topic legislative priority #9

Veterans' Tuition Program Updates and Revisions





Priority # 9 Veterans' Tuition Program revision

The Committee will review the program to find possible solutions to fulfill current commitments and provide equitable benefit, keeping in mind the state's declining revenues. Relates to 2017 House Bill 176 Veterans tuition waiver program requirements

ISSUE: The current cost of the Overseas Combat Veterans authorized in Title 19-14-106 is viewed as unsustainable.

Actions from 30 May 2017 JTIC Meeting:

Committee recommends amending Title 19-14-106 and enact the following sideboards:

- Program pays for tuition only (no fees). Achieves a savings of \$344K or 29% of the cost of the current program
- Reduce benefit from 10 to 8 semesters in order to limit growth of the program
- Fund 8 semesters of successive education. No doubling up on degrees.
- Cap Masters and above degrees at the Bachelor's degree rate. Could save between \$30k and \$50k per biennium.
- Determine the fiscal notes for grandfathering current students and implementing sideboards for all by 2021-22 biennium.





Priority # 9 Veterans' Tuition Program revision

The Committee will review the program to find possible solutions to fulfill current commitments and provide equitable benefit, keeping in mind the state's declining revenues. Relates to 2017 House Bill 176 Veterans tuition waiver program requirements

Due outs from 30 May 2017 JTIC Meeting:

- Rep Brown wanted to know who actually verifies the DD214 to ensure that OCV's are eligible.
 - Each college Financial aide department verifies the DD 214.
- Chairmen Meier wanted to get a start on the fiscal note that laid out the costs for vets currently using the benefit.
 - See next slide
- The Committee wanted a comparison of OCV benefits between Wyoming and our neighboring states.
 - See follow-on slide





Overseas Combat Vet Report cont...

COA 1 (Grace Period) (The way the draft bill is currently written)

- Students have 7 semesters (1 Jul 18 thru 15 Aug 2020) to complete their 10 semester and uncapped Advance Degree benefit. Con = Potential for 163 students unable to use all semesters of the benefit. Pro = Program costs are reduced to ~\$935k beginning Biennium 21-22.

FY13/14	FY15/16	FY17/18	FY19/20	FY21/22	FY23/24
\$1,116,533	\$1,180,191	\$1,231,000	\$1,231,000	\$935,805	\$982,594

COA 2 (Grandfathering)

- Students have 9 semesters from 1 Jul 18 thru approximately 1 Feb 2021 to complete their 10 semester and uncapped Advance Degree benefit. Con = Will have to sustain the current appropriation amount into the 21-22 biennium program budget to account for the grandfathering. Pro = all students that were promised the benefit are able to exercise it.

FY13/14	FY15/16	FY17/18	FY19/20	FY21/22	FY23/24
\$1,116,533	\$1,180,191	\$1,231,000	\$1,231,000	\$1,231,000	\$982,594





Overseas Combat Vet Report cont...

State	Side Boards
Wyoming	<ul style="list-style-type: none"> -Combat Veteran w/award of campaign medal -Combat veteran surviving spouse or dependent -Tuition Only -8 Semesters -Successive Education -Masters and above capped at Bachelor rate
Montana	<ul style="list-style-type: none"> -Combat Veteran w/award of campaign medal -No VA Education benefit remaining -1 Degree
Nebraska	<ul style="list-style-type: none"> -Dependents only -Covers 100% of tuition, charges and related fees at the University of Nebraska and related campuses.
Colorado	No program
Texas	<ul style="list-style-type: none"> -150 Semester hours (5 years at 15 hours a semester) -Spouses and Children of 100% Disabled Veteran or MIA/KIA
New Mexico	<ul style="list-style-type: none"> -Must exhaust all other benefits -Limited to \$2500 per semester -Pays tuition and fees
South Dakota	<ul style="list-style-type: none"> -Combat Veteran w/award of campaign medal, or served on AD from 1 Aug 1990 to TBD, or has a 10% or greater service connected disability. -100% tuition for 48 months -Exhausted all GI Bill or other Federal Education program -Undergraduate only
Utah	<ul style="list-style-type: none"> -Veteran eligible for Chapters 16-6,30,31,32, 33 or Post 9/11 GI Bill but has exhausted. - Pays tuition for the last school year at State institutions providing student has 3 or less semesters remaining. - No previous degrees earned.





Questions/Guidance





Emergency Management Assistance Compact (EMAC)





EMAC

- Offers a platform for assistance during governor-declared states of emergency.
- Establishes a legal foundation for sharing resources between states
- Provides a system for accountability and reimbursement
- Wyoming State Statute 19-13-401
- A state experiencing a **governor-declared** disaster or state of emergency will publish a **REQUEST** to all states and territories
- Resources requested may include ANY capability – personnel and/or equipment
- A supporting state or agency makes offer, requesting Governor must approve
- Mission expenses are the responsibility of the home agency until reimbursement authorized





Response Status

Hurricane Irma and Maria support (Virgin Islands and Puerto Rico)

- 1 CST PAX- departing 11 Oct on a 16 day rotation.
- 2 Maintenance PAX-transient operations, command and control, and Maintenance Recovery Team(s). EOM expected 28 days.
- 1 C-130 with 7 PAX- transport tents from New Hampshire to Puerto Rico.
- 1 C-130 with 7 PAX- JA/ATT (Joint Airborne / Air Transportability Training mission which was diverted to Puerto Rico.
- 1 Services PAX - departed on 8 OCT17 to NGB on a 30 day rotation.

Hurricane Harvey support

- 2 ANG Command Post personnel, working from Home Station-EOM 30SEP17
- 1 PA person deployed - EOM 30SEP17
- 2 C-130's deployed with 14 PAX, 2 C130's EOM 07SEP17

Title 32 – 502(f)

- Allows personnel to respond in a training status
- Can convert to mission status in-place if needed





Purple Heart State Resolution

- **The Wyoming Military Department respectfully proposes a Joint Resolution to designate Wyoming as a Purple Heart State and to honor August 7th as Purple Heart Day in Wyoming**
 - **The Purple Heart is the oldest military decoration in present use and was initially created as the Badge of Military Merit by General George Washington on August 7, 1782**
 - **The State of Wyoming has always supported its military veteran population and have great admiration and gratitude for all men and women who selflessly served their country in the armed forces**
 - **It is estimated that 850 Wyomingites were killed and 3,600 wounded in combat during major wars from the Spanish American War to present, possibly making 4,450 Wyomingites eligible for the Purple Heart**
 - **Nineteen states across the United States have honored their combat wound and killed military veterans by proclaiming there states to be Purple Heart States**





Questions/Guidance

